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**TWENTY-FOURTH JUDICIAL DISTRICT COURT  
DOMESTIC RELATIONS SECTION EXPENSE FUND  
GRETN, LOUISIANA**

**AUDITED FINANCIAL STATEMENTS**

*Year Ended December 31, 1999*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-12-00

**TWENTY-FOURTH JUDICIAL DISTRICT COURT  
DOMESTIC RELATIONS SECTION EXPENSE FUND**

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December 31, 1999*

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# *Kushner LaGraize, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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## INDEPENDENT AUDITORS' REPORT

To the Judges of the  
Twenty-Fourth Judicial District Court  
Gretna, Louisiana

We have audited the accompanying financial statements of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court, a component unit of Jefferson Parish, Louisiana, as of and for the year ended December 31, 1999. These component unit financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court, a component unit of Jefferson Parish, Louisiana, as of December 31, 1999, and the results of that Fund's operations for the year then ended in conformity with generally accepted accounting principles.

To the Judges of the  
Twenty-Fourth Judicial District Court  
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated March 29, 2000, on our consideration of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court's compliance and internal control over financial reporting.

*Kushner LaGrange, L.L.P.*

Metairie, Louisiana  
March 29, 2000

**TWENTY-FOURTH JUDICIAL DISTRICT COURT  
DOMESTIC RELATIONS SECTION EXPENSE FUND**

COMBINED BALANCE SHEET - GOVERNMENTAL FUND TYPE  
AND GENERAL FIXED ASSETS ACCOUNT GROUP

December 31, 1999

	<u>General Fund</u>	<u>General Fixed Assets Account Group</u>	<u>Total (Memorandum Only)</u>
<b>ASSETS</b>			
Cash	\$ 25,761	\$ 0	\$ 25,761
Due from Clerk of Court	3,255	0	3,255
Equipment	<u>0</u>	<u>5,215</u>	<u>5,215</u>
	<u>\$ 29,016</u>	<u>\$ 5,215</u>	<u>\$ 34,231</u>
 <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>LIABILITIES</b>			
Due to Parish of Jefferson - General Fund	<u>\$ 179,094</u>	<u>\$ 0</u>	<u>\$ 179,094</u>
Total Liabilities	179,094	0	179,094
 <b>EQUITY AND OTHER CREDITS</b>			
Investment in general fixed assets	0	5,215	5,215
Fund deficit	<u>(150,078)</u>	<u>0</u>	<u>(150,078)</u>
Total Equity and Other Credits	<u>(150,078)</u>	<u>5,215</u>	<u>(144,863)</u>
	<u>\$ 29,016</u>	<u>\$ 5,215</u>	<u>\$ 34,231</u>

**TWENTY-FOURTH JUDICIAL DISTRICT COURT**  
**DOMESTIC RELATIONS SECTION EXPENSE FUND**  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT  
 GOVERNMENTAL FUND TYPE  
 Year Ended December 31, 1999

	<u>GENERAL FUND</u>
<b>REVENUES</b>	
Clerk of Court - domestic filing fees	\$ 56,390
Domestic support enforcement fees	105,035
Case printout fees	<u>136</u>
 <b>TOTAL REVENUES</b>	 <b>161,561</b>
 <b>EXPENDITURES</b>	
Current - general government	
Auditing	4,525
Bank charges	842
Miscellaneous	154
Postage	114
Salaries	<u>149,094</u>
 <b>TOTAL EXPENDITURES</b>	 <u><b>154,729</b></u>
 <b>EXCESS OF REVENUES OVER EXPENDITURES</b>	 <b>6,832</b>
 <b>OTHER FINANCING SOURCES</b>	
Interest	<u>255</u>
 <b>EXCESS OF REVENUES AND OTHER   FINANCING SOURCES OVER EXPENDITURES</b>	 <b>7,087</b>
 <b>FUND DEFICIT AT BEGINNING OF YEAR</b>	 <u><b>(157,165)</b></u>
 <b>FUND DEFICIT AT END OF YEAR</b>	 <u><u><b>\$ (150,078)</b></u></u>

**TWENTY-FOURTH JUDICIAL DISTRICT COURT**  
**DOMESTIC RELATIONS SECTION EXPENSE FUND**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT  
- GOVERNMENTAL FUND TYPE-BUDGET (BUDGETARY BASIS) AND ACTUAL  
December 31, 1999

	GENERAL FUND				Variance Favorable (Unfavor- able)
	Actual	Adjustment to Budgetary Basis	Actual On Budgetary Basis	Budget	
<b>REVENUES</b>					
Clerk of Court - domestic filing fees	\$ 56,390	\$ 0	\$ 56,390	\$ 55,000	\$ 1,390
Domestic support enforcement fees	105,035	0	105,035	110,000	(4,965)
Case printout fees	<u>136</u>	<u>0</u>	<u>136</u>	<u>170</u>	<u>(34)</u>
Total Revenues	161,561	0	161,561	165,170	(3,609)
<b>EXPENDITURES</b>					
Current - general government					
Auditing	4,525	0	4,525	4,500	(25)
Bank charges	842	0	842	850	8
Miscellaneous	154	0	154	0	(154)
Postage	114	0	114	120	6
Salaries	<u>149,094</u>	<u>0</u>	<u>149,094</u>	<u>147,651</u>	<u>(1,443)</u>
Total Expenditures	<u>154,729</u>	<u>0</u>	<u>154,729</u>	<u>153,121</u>	<u>(1,608)</u>
EXCESS OF REVENUES OVER EXPENDITURES	6,832	0	6,832	12,049	(5,217)
<b>OTHER FINANCING SOURCES</b>					
Interest	<u>255</u>	<u>0</u>	<u>255</u>	<u>350</u>	<u>(95)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	7,087	0	7,087	<u>\$ 12,399</u>	<u>\$ (5,312)</u>
FUND DEFICIT AT BEGINNING OF YEAR	<u>(157,165)</u>	<u>0</u>	<u>(157,165)</u>		
FUND DEFICIT AT END OF YEAR	<u>\$ (150,078)</u>	<u>\$ 0</u>	<u>\$ (150,078)</u>		

**TWENTY-FOURTH JUDICIAL DISTRICT COURT**  
**DOMESTIC RELATIONS SECTION EXPENSE FUND**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund (the Fund) is presented to assist in understanding the Fund's financial statements. The financial statements and notes are representations of the management of the Fund, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles as applied to governmental units, and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

***Financial Reporting Entity***

As provided by Revised Statutes 46:236.5, the Fund was created for the purpose of expediting the process for the establishment and enforcement of support obligations under the jurisdiction of the Twenty-Fourth Judicial District Court Domestic Relations Section.

As required by Generally Accepted Accounting Principles, the financial statements of the reporting entity present the primary government and its component units. The accompanying financial statements present only the Fund which is a component unit of Jefferson Parish, Louisiana (The Primary Government).

The Fund is a component unit of the Parish of Jefferson because it is considered to be fiscally dependent on Jefferson Parish. The significant factors for inclusion are: The Parish of Jefferson is responsible for funding deficits and the Fund serves residents of the Parish of Jefferson.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT**  
**DOMESTIC RELATIONS SECTION EXPENSE FUND**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1999

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Fund Accounting***

The accounts of the Fund are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of a fund are accounted for with a separate set of self-balancing accounts which are maintained for the purpose of carrying on special activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The fund has the following fund type and account group:

1. **Governmental Fund** - *General Fund* - The General Fund is the general operating fund of the Fund. It is used to account for all financial resources.
2. **Account Group** - *General Fixed Assets Account Group* - This account group is established to account for all fixed assets of the Fund.

***Basis of Accounting***

The modified accrual basis of accounting is used by governmental fund types and agency funds. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities within the current period.

Revenues are considered measurable and available when received by the Clerk of Court or by the Fund within 60 days after the current year ended. Expenditures are generally recorded when the liability is incurred.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT**  
**DOMESTIC RELATIONS SECTION EXPENSE FUND**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Budgetary Accounting***

The administration of the Fund prepares an annual budget for the General Fund. The budget is legally enacted and amended through an en banc meeting of the judges. The budget is prepared primarily on the modified accrual basis of accounting, except that losses resulting from claims and litigation are recorded when paid instead of when the liability arises.

The accompanying Statement of Revenues, Expenditures, and Changes in Fund Deficit-Governmental Fund Type - Budget (Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on the budgetary basis. Budgeted amounts are as originally adopted or as finally amended by the judges.

***Encumbrances***

Encumbrances are not recorded, and therefore no reservation of fund balance is necessary.

***Annual and Sick Leave***

Annual and sick leave are not accrued in the Fund, as the amount left unpaid at the end of the calendar year would not be liquidated with expendable available financial resources. Any unpaid portion relating to the Fund at December 31, 1999, was accounted for in the General Long-Term Debt Account Group of the Parish of Jefferson.

***General Fixed Assets***

Fixed assets used in governmental fund type operations (general fixed assets) are recorded in the General Fixed Assets Account Group, rather than in governmental funds. Depreciation is not recorded on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. There were no changes in General Fixed Assets for the year ended December 31, 1999.

***Total Columns on Combined Statements***

The total column on the combined statement is captioned "Memorandum Only" to indicate that they are presented to facilitate financial analysis. Data in these columns does not present financial position in conformity with generally accepted accounting principles.

**TWENTY-FOURTH JUDICIAL DISTRICT COURT  
DOMESTIC RELATIONS SECTION EXPENSE FUND**

*NOTES TO FINANCIAL STATEMENTS - CONTINUED*

*December 31, 1999*

**NOTE 2 - CASH DEPOSITS**

At December 31, 1999, the carrying amount of the Fund's deposits was \$25,761 and the bank balance was \$141,330, of which \$100,000 was covered by federal depository insurance and \$41,330 was collateralized with securities held by the pledging financial institution's agent in the Fund's name.

**NOTE 3 - DUE TO PARISH OF JEFFERSON - GENERAL FUND**

The 1999 operating budget of the Parish of Jefferson includes the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund for 1999. Under the provisions of Ordinance No. 17174 the general fund of the Parish of Jefferson was authorized to advance funds to the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund for initial startup and operation. The funds advanced are to be paid back to the Parish of Jefferson general fund over a 10-year period. For the year ended December 31, 1999, the Parish of Jefferson's general fund included in its payroll three employees of the Fund. The total payroll and related expenses incurred by the Parish of Jefferson's general fund under this agreement for the year ended December 31, 1999, was \$149,094 and is reported in the amount shown as Due to Parish of Jefferson-General Fund in the accompanying Combined Balance Sheet - Governmental Fund Type.

**NOTE 4 - DEFICIT FUND BALANCE - GENERAL FUND**

The deficit fund balance of \$150,078 as of December 31, 1999, is a result of the funds advanced in 1999 by the Parish of Jefferson's general fund, and is reported as a liability in the amount shown as Due to Parish of Jefferson - General Fund in the accompanying Combined Balance Sheet Fund (see Note 3). The Parish of Jefferson is responsible for funding deficits of the Fund.

# *Kushner LaGraize, L.L.P.*

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Judges of the  
Twenty-Fourth Judicial District Court  
Gretna, Louisiana

We have audited the financial statements of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court (the Fund), a component unit of Jefferson Parish, Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated March 29, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

*INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS  
- CONTINUED*

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered the Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

*Kushner LaGraize, L.L.P.*

Metairie, Louisiana  
March 29, 2000